GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:423
ANSWERED ON:23.11.2006
AGREEMENT BETWEEN RAILWAYS AND TANZANIA
Masood Shri Rasheed

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways have signed an agreement for plying trains in Tanzania;

(b) if so, the details thereof;

(c) the period for which the said agreement has been signed; and

(d) the expenditure likely to be incurred on the said project?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a) to (d): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF UNSTARRED QUESTION NO.423 BY SHRI RASHEED MASOOD TO BE ANSWERED IN LOK SABHA ON 23.11.2006 REGARDING AGREEMENT BETWEEN RAILWAYS AND TANZANIA

(a) to (d): Ministry of Railways have not signed any agreement for plying trains in Tanzania. However, a consortium led by RITES Limited, a Public Sector Undertaking under the administrative control of Ministry of Railways with other member as GAPCO (A Mauritius based Company) and UTI Bank Ltd have been notified for award of Tanzania Railway Corporation concession. The concession agreement is yet to be signed.

As per terms of concession, total infrastructure comprising of track, rolling stock etc. will be handed over to the Concessionaire for its rehabilitation, maintenance, operation and management for a period of 25 years from the date of its takeover. In turn, concessionaire will be generating revenues through providing services and will be paying fees to the Government of Tanzania (GOT) out of the income generated by it.

The total estimated capital cost of project is US$ 305 million over the entire concession period. This will be met through equity capital of about US$ 15 million, debt of US$ 153 million and internal accruals of US$ 137 million.